WDZ

Management Practices

13 APR 1960

Mr. Herschel Brown
Vice-President and General Manager
Lockheed Aircraft Corporation
P.O. Box 504
Sunnyvale, California

Dear Mr Brown

1. There have been several events in the recent past which cause me to be concerned over the manner in which Lockheed is accomplishing its part in our highest priority space program. Review by members of my organization leads me to conclude that these difficulties, examples of which I will cite, stem largely from the general confusion and less-than-optimum performance within the LMSD Satellite Systems organization which, in turn, is brought about by inadequate direction and leadership.

2. I grant that the effective development of these systems has been aggravated by some program instability on the part of the Department of Defense; however, this does not relieve Lockheed Missiles & Space Division of the fundamental responsibility for the best possible performance of the job at hand.

3. The following specific examples of problems are cited:

a. Recent detailed physical examination of all completed AGENA vehicles has disclosed an unacceptable condition of the wiring harness. These discrepancies are the result of improper procedures, inadequate supervision and ineffective quality assurance. I have touched upon this problem in my message WDZT 1156 dated 25 March 1960. The LMSD reply of 29 March 1960 signed by Mr. Hawkins has been reviewed and our comments in regard thereto are being forwarded to LMSD by a separate message.

b. Following our investigation of the incident concerning the attempted launch of AGENA 1019 on 21 January 1959, LMSD drawing practices and procedures were reviewed (reference letter from General B. A. Schriever to Mr. L. E. Root, 16 February 1959). Our findings at that time, which were communicated to LMSD, indicated that the LMSD Drafting Practice Manual used by the Space Systems organization was inadequate and that currency of drawings was not properly maintained. A recent check shows that fifteen months later these deficiencies still exist and represent a serious program hazard. [illegible] [illegible] to [illegible] remedial action is not understandable.

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c. I have been advised that many important LMSD procurements of components and parts are accomplished by Engineering Procurement Documentation for which acceptance and qualification specifications are either nonexistent or inadequate. There is evidence that flight hardware has been accepted by LMSD with no more than a "Count and Damage" inspection. This deficiency in LMSD's parts qualification program has already caused appreciable program delays and costs as, for example, when it recently became necessary to replace defective diodes throughout several AGENAs and may well have contributed to some of the costly flight test failures that have occurred.

d. Certain component problems have existed since the early part of the program and as of this date we have no valid assurance of their solution. An example of this is static inverters.

e. The large number of modifications identified with recent AGENAs as well as the large number of changes (EIAs) requested by LMSD after their acceptance by the Air Force lead us to suspect that either LMSD's change control procedures are still not adequate (reference par 2b, "Report of WS 117L Management Survey Team," 23 September 1959) or that LMSD's design engineering is not properly accomplished prior to the manufacture of the vehicles or that both these conditions obtain.

f. During the launch preparation and checkout of MIDAS I there was damage to equipment and schedule delays resulting from inadequate procedural observance.

g. I am advised that quite often the AFBMD/LMSD members become aware of problems which will result in schedule slippage but for some reason there is reluctance on LMSD's part to acknowledge these slippages until too close to the time of the flight test resulting often in an appreciable amount of wasted effort.

h. The senior management level of LMSD's Satellite Systems organization appears to require clarification of purpose and individual responsibilities as well as possible staff level augmentation.

4. These are only some of the examples relevant to a generally unsatisfactory situation. I am seriously concerned with this state of affairs since in most instances the underlying areas of deficiency have existed for some period without significant improvement. Up to now this situation has resulted in a general LMSD inability to meet program goals and schedules with accompanying increased costs. Continued contractor performance difficulties will seriously jeopardize the future of these space programs as well as LMSD's role therein; accordingly, I feel that serious and effective remedial action is

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SIGNED

O. J. RITLAND
MAJOR GENERAL, USAF
COMMANDER

This information has been read by
~~Lt Col Phelps~~
~~Lt Col Schmidt~~ (KING ON LEAVE
~~Col McKeon~~
~~LtCol E.H.Blum~~
~~Lt Col Cutler~~ (Battle TDY)
~~Lt Col Durham~~

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